

and other things that would be necessary if we were dealing with a new epidemic of low birth weight babies.

If we are really talking about investments that make sense, if we are talking about reforms that make sense, then we should be putting more money into this program, not less. However, that is not in the contract.

We often have these academic debates around here, and it sometimes helps to put a little bit of a face on it. My background is in gerontology. I have worked with senior citizens. I have seen seniors—people who have given their whole lives, raised a couple of generations, their kids, their grandkids, and worked and worked and worked, and are living on a small Social Security—I have seen them cry when I brought them a hot meal, because it was the only hot meal that they had had in days.

Are we going to end these programs? Are we going to turn back the clock? The Contract would, or it will say, "Well, we are going to give a block grant to the States, but we are going to cut the funding." How are the States going to pick up that additional burden? If the Contract is honest, then the Contract will adopt the unfunded mandates legislation tomorrow so we know what costs we are shifting to the States next year.

NEW REFORMS BRING BADLY NEEDED DISCIPLINE TO GOVERNMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. LOBIONDO] is recognized for 5 minutes.

Mr. LOBIONDO. Mr. Speaker, we joined together just a few short weeks ago in an initial gift, really, I think, to the citizens of this country by in a bipartisan way coming together to vote on the Congressional Accountability Act. I believe that that can set the stage for the endeavor that we are now embarking on, which would allow us to give another gift to the American people, that of a balanced budget amendment.

Mr. Speaker, my district, the southern part of New Jersey, is rural and agricultural. We have many small businesses. I try to get around to the fire halls, the church halls, for the barbecues, for the breakfasts, to listen to people, to look in their eyes, and to be able to hear what their concerns are.

What they have told me is that they do not understand why Congress does not live in the real world the way they do. They tell me that they live with a balanced budget amendment of their own. They cannot spend more than they take in, not for very long, whether they are individuals or whether they are businesses. They have to live with that discipline.

I come from a small business background. I know what it is like to be able to put that dynamic together, that dynamic that seems to be missing from Government, something that is

obvious, I think, to all of us in this body and to all of America, that we desperately need: We desperately need that discipline.

Now, finally, or once again, I should say, we have an opportunity. We have a great opportunity to be able to give that gift to the American people.

I have a little bit of background as a State legislator from the great State of New Jersey. We live with a balanced budget in the State of New Jersey and it works.

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Yes, very often there are some tough decisions that have to be made. There are some tough choices. But that is what life is all about. And America has to make some tough choices. But I think this choice is relatively simple, and I would like to see us join together in a bipartisan fashion to be able to present this to the American people, something I believe they feel is long overdue that would bring Congress back into the real world that they live in.

MAINTAINING EFFECTIVE NUTRITION PROGRAMS IN FACE OF WELFARE REFORM

The SPEAKER pro tempore (Mr. GEKAS). Under a previous order of the House, the gentleman from Texas [Mr. DE LA GARZA] is recognized for 5 minutes.

Mr. DE LA GARZA. Mr. Speaker, as we begin the debate on welfare reform, let their be no mistake that the Democrats on the Committee on Agriculture welcome the opportunity to further reform the Food Stamp Program and the commodity distribution programs.

Those of us who have worked with these programs labored long and hard to make needed changes, but are well aware that there are areas where they can be further improved, as with any other good program. They can be made more responsive to the needs of poor people by encouraging them to attain self-sufficiency, and they can be made more efficient for the States that administer them. This is not to say that we haven't tried. We have.

But our challenge now is to make sure that in making these reforms we do not throw out the baby with the bathwater.

These are complex, well-intentioned, and largely successful programs. The Federal nutrition programs have reduced hunger in this country dramatically and improved the nutritional quality of the diets of poor families. We should not lose sight of that fact by rushing to pass legislation that could threaten the good work of these programs.

STATE CONCERNS

Two aspects of the nutrition block grant proposed in H.R. 4 could seriously threaten the effectiveness of our nutrition programs. First, all but eight States will be given less money in fiscal year 1996 under the block grant pro-

posal than they would receive under current law, and all States would eventually be given less money in the long run. For example, Texas would lose over \$1 billion, which would result in either a reduction in benefits or a denial of benefits to many needy families.

Second, the major nutrition programs, food stamps, school lunch, and school breakfast would no longer be entitlement programs. There would be a cap on the annual appropriations for the block grant. The cap would be adjusted each year for changes in population and food prices, but not for changes in unemployment or poverty. Congress could appropriate less, but not more than the cap.

That means that if there is an increase in poverty due to a recession, States will be unable to expand their nutrition programs to meet the increased need for nutrition benefits. It also means that every year States will need to fight at the Appropriations Committees for scarce funding for their nutrition programs.

AGRICULTURAL CONCERNS

Not only could the nutrition block grant have an adverse impact on the States, but it could also mean that less money is available to support food purchases and agricultural incomes.

Studies have shown that retail food spending might decrease when the same level of assistance is provided in cash instead of in food stamps. USDA estimates that there could be a reduction in retail food sales of between \$4.25 billion to \$10.5 billion. This decrease will result in reduced earnings of food manufacturing and distribution firms. And agricultural producers would, therefore, suffer decreases in farm income. For livestock, vegetables, and fruit producers alone, farm income could drop by as much as \$1 to \$2 billion.

In the short run, implementation of the block grant could result in a loss of 126,000 to 138,000 jobs, and rural areas would suffer the most because of their heavy dependence on the agriculture sector. In the short run, rural areas would lose twice as many jobs as metropolitan communities.

Under the block grant, almost all authorities for USDA to purchase and distribute food commodities to schools and other outlets, like TEFAP, would be eliminated. Although the proposal would add new authority for USDA to sell food commodities to States for food aid purposes, it is not clear how the Department would acquire the non-price-support commodities in the first place. The proposal would, therefore, make it impossible for USDA to stabilize markets for non-price-support commodities in times of surplus production.

Commodity distribution programs that now serve a dual purpose of supporting commodities in times of overproduction and providing those commodities to nutrition programs would no longer be available.

RECIPIENT CONCERNS

Finally, and most important, the nutrition block grant proposal could result in an increase in hunger in America. Fifty-two percent of food stamp recipients are children. Approximately \$9 of every \$10 spent for food stamp benefits—89 percent—are provided to households with children, elderly, or disabled people. Families with children receive 82 percent of food stamp benefits. Thirteen million children receive food stamps in an average month.

If States choose to handle the reduced funding levels by restricting eligibility to nutrition programs, 6 million food stamp recipients, most of them children, will no longer be eligible for nutrition benefits in fiscal year 1996. I don't believe that the American people intend for welfare reform to increase hunger among our children.

All welfare reform proposals should be analyzed on the basis of how well they will support and encourage people to attain self-sufficiency, and not simply on how much money they save. They must be analyzed on how they will affect our children, who are our future. Simply reducing funding, and eliminating the entitlement status of our nutrition programs, does not result in effective welfare reform. We all want welfare reform, but we must be concerned not just with the short-term impact, the present impact, but also with the future impact. I urge my colleagues to move carefully and thoughtfully on welfare reform.

Mr. Speaker, as long as we have the human element involved, there will be fraud and abuse; our challenge is to minimize it. But, my friends, a block grant is not going to cure this. Let us not deceive ourselves on this, it might even make it worse, for there will be no uniformity. So, again, I urge my colleagues to move carefully and thoughtfully to achieve the end result. We cannot, we must not, gamble with such a precious commodity as our children.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. BLILEY] is recognized for 5 minutes.

[Mr. BLILEY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

IN DEFENSE OF NUTRITION PROGRAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MILLER] is recognized for 5 minutes.

Mr. MILLER of California. Mr. Speaker, in a rush to cut governmental spending, the Republicans seem intent not to look at whether or not programs are effective, whether or not programs have been successful, but simply to cut and to block-grant those programs so that they can realize the savings that they want to pay for the other things that they wish to do, whether it is an increase in the defense spending or to provide tax cuts to the very wealthy of this country.

Unfortunately, the programs caught up in that whirlwind happen to be the nutrition programs. These are among

some of the most successful programs in the history of this Government and the history of this Nation. These are the programs that have lifted our elderly out of desperate situations when they did not have enough income to feed themselves, have dramatically reduced the incidence of low-birth-weight and very-low-birth-weight children to pregnant women, to families, to prevent them from suffering the setback and the disappointment and the heart-break of birth defects of a critically ill child at the moment of birth, and at the same time to alleviate the taxpayers and others of the cost of the thousands of dollars a day it takes to bring a very-low-birth-weight child up to normal weight and the efforts so that they can take that child home.

These are the programs that have allowed our senior citizens to live in their own home. One of the leading causes of people being put into nursing homes is that they can no longer cook for themselves. So we used a program called Meals on Wheels. I have delivered the meals, my wife has delivered the meals, our children have delivered the meals to the elderly in our community. That is the reason they can live in a surrounding that they are comfortable with. They can no longer cook, but we can deliver a nutritious meal to those individuals.

What happens when we do that? We reduce the nursing home cost, the health care cost, and the whole Nation benefits, and those people get to live in a surrounding they are comfortable with.

These are the programs that have allowed people to go into their homes and to cook for those individuals so that they could stay in those surroundings.

These are the programs that when people find themselves unemployed, through no fault of their own, they went to work every day, they worked in the steel mills, in the automobile factories, in the insurance companies, at IBM or Xerox, and all of a sudden they had no family income, because of restructuring or downsizing or layoffs or unemployment, whatever the words are that you want to use.

But they had to feed their families. So they were entitled to go over, and to get food stamps to give them help while they were unemployed. Their children might be eligible for a school lunch because they have no family income.

Now we say we are going to cut those programs across the board? We are going to cut those programs across the board for Americans that went to work every day. And they worked hard. They just happened to be so unfortunate that their job was yanked away from underneath them.

I do not think that is the message that America wants to send to its families, but that is what these nutrition programs are about. They are about the prevention of birth defects. They are about letting families have an oppor-

tunity to have healthy babies. They are about our elderly living out the twilight of their life with dignity, and the security of their own surroundings, and not bankrupting their children or themselves because they have to go to a nursing home because there is no one to take care of them in the city in which they now live.

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That is what these programs are about. And they are about making sure that there is in fact a safety net for working Americans so that when hard times come they can get some help until they can get the next job.

Twenty percent of the families receiving Food Stamps are working families in this Nation. The go to work every day. They have not lost their job, but they do not make enough to be above the poverty line.

Some of those families are in the U.S. military. They are serving this country. But they do not make enough, so that they are eligible for Food Stamps, and to make ends meet for those military families they go down and they participate in the Food Stamp Program. That may be a shame that that is the situation with the military families in this country but it is a fact. In fact, if we look at these nutrition programs, they are an indictment of this country, for our inability to provide jobs to create wages so people can feed themselves, so that people that find themselves in tough economic straits can get a bridge out, to get temporarily help. But we do not.

We see homeless people on our streets. In 1980 the Reagan administration said it was an emergency and temporary. They said they were there because they wanted to be. And in 1990 they were counted in the census as a permanent part of the American landscape.

That is unacceptable and, the nutrition programs stand between millions of Americans and that fate. And that should be block granted.

Mr. Speaker, the question I put to you today is: Where is the mandate? Who is mandating the repeal and block granting of the Federal nutrition programs?

No one has contacted my office to support a nutrition block grant, and hundreds have written opposing it. Exactly who is asking for the demolition of these programs that have proven so successful in saving the taxpayers' money, preparing our kids to support themselves when they get older, and increasing the health of our seniors?

The Economic and Educational Opportunities Committee had to cancel a hearing this morning on the nutrition block grant because they couldn't get a Republican Governor to testify in support of it. The Governors themselves have serious concerns about the negative impact the block grant will have on our citizens and our country.

Speaker GINGRICH is mandating this block grant to pay for his tax cut for the rich. In order to save a few billion dollars to pay for